

**A Preliminary Resolution of the Common Council of the City of Evansville
Declaring an Economic Revitalization Area for Property Tax Phase-In for
The Construction of Real Property and installation of new equipment**

Mead Johnson & Company, LLC

Whereas, Mead Johnson & Company, LLC (the "Applicant") has submitted a Statement of Benefits and made application for Economic Revitalization Area designation pursuant to IC 6-1.1-12.1 et seq. and Evansville Common Council Resolution C-2002-3 as Amended (the "Tax Phase-In Resolution") for the property located at: See Section 1e.; and

Whereas, said property meets the criteria for designation as an Economic Revitalization Area pursuant to IC 6-1.1-12.1- et seq;

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Evansville as follows:

Section 1. The Common Council has reviewed the Statement of Benefits and additional information submitted pursuant to I.C. 6-1.1-12.1 and Common Council Resolution C-2002-3 as Amended and made the following findings:

- a. The estimate of the value for the construction of new real property by the Applicant is reasonable for projects of that type; and
- b. The estimate of the number of individuals who will be employed or whose employment will be retained by the project can be reasonably expected to result from the proposed acquisition and installation of manufacturing equipment; and
- c. The estimate of the annual salaries of those individuals whose employment will be retained by this project can reasonably be expected to result from the proposed construction; and
- d. The totality of benefits likely to accrue from this project is sufficient to justify a tax deduction.
- e. The property known as:

2404 W. Lloyd Expy (Bldgs 24, 31, 33, 33B & 33C) Evansville, IN 47721

Parcel ID: 82-05-26-032-043.001-029

PT NE NE Lot 2 14.9 AC 26-6-11 (Bldgs 24, 31, 33, 33B & 33C)

has been found to meet the requirements of an Economic Revitalization Area pursuant to IC 6-1.1-12.1.

FILED

OCT 22 2014

Anna Winkler
CITY CLERK

Section 2. Based on these findings, the Common Council has determined that the purposes of I.C. 6-1.1-12.1 are served by allowing the deduction and the property described in Section 1.e. (above) is hereby declared to be an Economic Revitalization Area.

Section 3. The designation of this Economic Revitalization Areas shall apply to property tax deductions for "real property" and "personal property" as provided in IC 6-1.1-12.1-4.5 and IC 6-1.1-12.1-3.

Section 4. The designation of this Economic Revitalization Area shall be in effect up to and including 2020.

Section 5. The length of deduction to be allowed for this project for "real property" and "personal property" shall be for 10 years from the date of each increased assessment resulting from the investments made according to the Statement of Benefits Real Estate Improvements and Personal Property (SB-1 Real Property and SB-1/PP) (and attached hereto) and consistent with the tax phase-in schedule in Attachment 1.

Section 6. The Statement of Benefits submitted by the applicant and dated October 21, 2014 is hereby approved.

Section 7. Benefits provided by this Preliminary Resolution shall accrue and be valid for any investment made prior to the passage of this resolution, but not before June 1, 2014 as provided by the Statement of Benefits-1 (Real Estate and Personal Property) attached hereto.

Section 8. This Resolution shall be in full force and effect from and after its passage by the Common Council, signing by the Mayor, and advertisements, if any, as required by law.

Attachment 1

Real and Personal Property Schedule

Parcel ID: 82-05-26-032-043.001-029

Resolution C-2014-34

Mead Johnson & Company, LLC

Tax Phase-In Schedule – Real Property

Real Property	
Year	Abatement
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%
11	0%

Tax Phase-In Schedule – Personal Property

Personal Property	
Year	Abatement
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11	0%

PASSED BY the Common Council of the City of Evansville, Indiana, on the 10 day of November, 2014 on said day signed by the President of the Common Council and attested by the City Clerk.



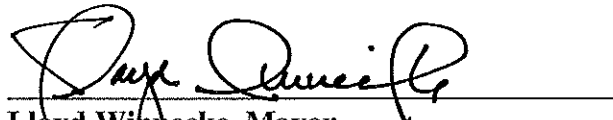
President of the Common Council, John Friend

ATTEST: Laura Windhorst
Laura Windhorst, City Clerk

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this 12 day of November, 2014, for his consideration and action thereon.

Laura Windhorst
Laura Windhorst, City Clerk
City of Evansville, Indiana

Having examined the foregoing resolution, I do now, as Mayor of the City of Evansville, Indiana, approve said resolution and return the same to the City Clerk this 12th day of November, 2014.


Lloyd Winnecke, Mayor
City of Evansville, Indiana

APPROVED AS TO FORM
BY TED ZIEMER, CORPORATION COUNSEL

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Wm. S. S. S.

1871

Wm. S. S. S.

Report to Mayor and City Council | 2014



Council Meeting 10/27/2014

SUBJECT: The Growth Alliance has worked with Mead Johnson & Company, LLC on their current project to retrofit and replace underutilized manufacturing space and equipment.

The investments will be made over time between 2014 and 2017. This project will incorporate cutting edge technology and diversify existing production. This project will allow Mead Johnson & Company, LLC to more effectively utilize the buildings 24, 31, 33, 33B & 33C located at Mead Johnson's manufacturing facility in Evansville's urban core. During the first phase of the project 30 new permanent full-time positions with an average wage of \$29 an hour as well as 24 new contract employee positions and will be created by 2015. With the completion of phase 2 of the project, expected in 2017, some of the permanent full-time positions will transition to other manufacturing lines within the Evansville facility and the new number of permanent full-time positions associated with this project, at project completion, will be 18 with 6 contract employee positions.

Reasons to provide tax abatement:

- Strength of the Company and the History with the City of Evansville
- Strength of wages paid
- Investment in the Community
- Good Corporate Citizen and Culture
- Use of Local Contractors
- International Firm
- Continuous improvement in manufacturing capabilities for continued viability at the Evansville facility

Mead Johnson will be making a \$17.4 million investment in Real Property and a \$17.6 million investment in Personal Property

Fiscal Impact: Total, positive, Economic Impact of this project for Evansville is:

\$164,094,195 over the next 10 years; or, over \$16.4 million/year.

Recommendation: A standard 10-year tax abatement (100% - Year 1; 95% - Year 2; 80% - Year 3; 65% - Year 4; 50% - Year 5, 40% - Year 6, 30% - Year 7, 20% - Year 8, 10% - Year 9, 5% - Year 10, and 0% - Year 11) for real property would provide a direct impact of **\$2,559,300**. A standard 10-year tax abatement (100% - Year 1; 90% - Year 2; 80% - Year 3; 70% - Year 4; 60% - Year 5, 50% - Year 6, 40% - Year 7, 30% - Year 8, 20% - Year 9, 10% - Year 10, and 0% - Year 11) for personal property would provide a direct impact of **\$969,894**.

The total value to Mead Johnson Company, LLC would be approximately \$3,529,194 and the project would generate a positive, Economic Impact of over \$16.4 million per year for Evansville.

Report to Mayor and City Council | 2014

By providing a 10 year tax phase-in for the project at this time, we have the opportunity to work closely with Mead Johnson with the hope to capture additional jobs and investment by working closely with company representatives, utilizing their knowledge, their contacts and their extensive network in other areas of the country and internationally.

Attachments:

Preliminary Resolution C-2014-34

Application for Economic Revitalization Area Designation

Form SB-1/Real Property

Form SB-1/Personal Property

Scoring sheet for Real Property

Scoring sheet for Personal Property

For additional information contact:

Chris Kinnett, Business Development Director

Growth Alliance for Greater Evansville

812 492 4384 - <mailto:chris@growthallianceevv.com>



CITY OF EVANSVILLE

OFFICE OF THE MAYOR
LLOYD WINNEOKE

ONE N.W. MARTIN LUTHER KING, JR. BLVD. • ROOM 602
EVANSVILLE, INDIANA 47708-1838
(812) 438-4862 • FAX (812) 488-4868 • TDD/TTY (812) 438-4828
www.evansville.in.gov

June 19, 2014

Dan Niemeler
Mead Johnson & Company, LLC
2400 West Lloyd Expressway
Evansville, IN 47721

Dear Mr. Niemeler:

The following letter outlines the City of Evansville's commitments¹ to *Mead Johnson & Company, LLC* (*Mead Johnson*) with respect to the expansion of *Mead Johnson* at the Evansville, Indiana facility. *Mead Johnson's* project will consist of approximately \$17.4 million in new infrastructure (construction at 204 W. Lloyd Expy [Bldgs. 24, 31, 33, 33B & 33C]) and \$17.6 million personal property investment in equipment new to the State of Indiana and the addition of approximately 20 new jobs at an average wage of approximately \$30.00 per hour.

Financial Assistance Funded From Tax Phase-In

The City will offer a 10-year Tax Phase-In on real and personal property investment for the purpose of assisting *Mead Johnson* with the Project. Tax Phase-In allows for the gradual phasing in of property tax that has occurred due to an increase in the assessed value of a building and/or the purchase of equipment. In a 10-year Tax Phase-In, any additional tax owed due to construction of or improvements made to the building and/or purchase of certain equipment, occur in graduated steps. Full taxes on these improvements will commence in the 11th year.

The 10-year Tax Phase-In for real and personal property provides an estimated value of \$3,529,194².

Training Grant – City of Evansville

The City will offer a Hiring/Training Grant in support of other incentives received by *Mead Johnson* from the State of Indiana or State Workforce Development. The local hiring/training grant allows for a broad range of flexibility to support training activities, relocating machinery/equipment to be used in manufacturing process and training process, and/or recruitment. Further discussions could help identify the specific needs of *Mead Johnson*. This hiring/training grant is for a 50/50 company hiring/training match of \$500 for every Evansville resident hired over the next 2 years, up to a maximum of \$10,000.

¹ The commitments outlined in this letter do not include any incentive or assistance which may be offered directly to *Fisher* by the Indiana Economic Development Corporation or any other governmental units.

² This is an approximate amount, and is dependent upon assumptions and projections of property tax rates and depreciation, and; this is an approximate amount and is dependent upon assumptions and projections of property tax rates.

Limitation on City Obligations

The City's financial obligations to *Mead Johnson* with respect to the Project shall be limited to the Financial Assistance Commitment described above. *Mead Johnson* shall be responsible for completion of the Project, including but not limited to real/personal property investment.

Approvals

The incentives are subject to further local action and approvals, which the City will pursue promptly upon acceptance hereof by *Mead Johnson*.

Conditions

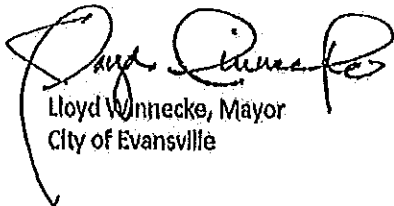
The incentives are based upon *Mead Johnson* (a) the creation of 20 additional positions at the Project location by the dates and with hourly wages as described in the Indiana Project Profile and (b) making the investment in real and personal property in the amounts and by the dates as described within the Indiana Project Profile.

If for any reason *Mead Johnson* does not timely fulfill the employment, hourly wage, or projected investment, the City reserves the right, by Indiana Statute or pursuant to the terms of the above noted Project Agreement, to receive back from the Company a rebate of the incentives pursuant to the terms of the Project Agreement.

The City will limit its investment to the amount of the Financial Assistance Commitment. It shall be the responsibility of *Mead Johnson* to provide for all costs associated with the Project, including but not limited to, investment in property.

The City's offer will remain available for written acceptance by *Mead Johnson* until August 30, 2014. Please confirm your acceptance hereof by dating, signing and returning a signed copy. We are excited about *Mead Johnson's* Project and look forward to working with you to ensure that your company continues its success in our community.

Sincerely,



Lloyd Winnecke, Mayor
City of Evansville

LW/mc

ACCEPTED:
Mead Johnson & Company, LLC

By: 

Date: October 8, 2014

Richard L. Baumgart, Vice President
Printed Name and Title

BOWERS HARRISON LLP

ATTORNEYS AT LAW

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JOSEPH H. HARRISON (Retired)
GENE E. BROOKS (1931-2004)

(1) Also admitted in Connecticut
(2) Also admitted in Illinois

* Board Certified Indiana Trust & Estate
Lawyer by the Trust & Estate Specialty Board

** Registered Patent Attorney

WRITER'S PHONE: (812) 491-8222

June 16, 2014

Mr. Chris Kinnett
Growth Alliance
318 Main Street, Suite 500
Evansville, IN 47708-1478

RE: Mead Johnson & Company, LLC ("Mead Johnson") -- Project 32
Our Client No.: 13547.014

Dear Mr. Kinnett:

In response to your request, an amended application is enclosed.

The application now includes hourly average wage estimates on the second page. The twenty-nine dollar (\$29.00) per hour average for 2015 and 2016 and thirty dollar (\$30.00) per hour average for 2017 and 2018 are estimates of the average hourly wage for Mead Johnson and contract employees. These wages are estimates and subject to fluctuation based on the education and experience of the workforce secured for this project.

You have also asked about the ratio of manufacturing and management positions retained and created by this project.

During Phase I Mead Johnson estimates that there will be:

MJN Packaging	18
MJN Processing	6
MJN Maintenance	4
MJN Supervisor	2
Contract Warehouse Operations	8
Production Temps	16
	<hr/>
	54

June 16, 2014

Page 2

Upon completion of Phase II Mead Johnson estimates that there will be:

MJN Packaging	9
MJN Processing	6
MJN Maintenance	2
MJN Supervisor	1
Contract Warehouse Operations	4
Production Temps	2
	<hr/>
	24

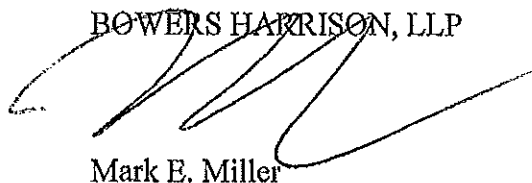
You are correct in noting the reduction in job numbers between 2016 and 2017. Once Phase II of the project is implemented, a smaller crew will be required for the project going forward due to the efficiency of the advanced technology. However, Mead Johnson is estimating that the full time employees added during Phase I will transition to other manufacturing lines within the Evansville facility. Please note Mead Johnson has submitted conservative estimates of capex and job positions retained and created for this project.

Finally, based on current work allocations for the existing production, Mead Johnson has estimated that there are two (2) positions at risk. If the project proceeds those two (2) positions will be retained. If the project does not proceed, those two (2) positions are at risk.

Please let us know if you have any additional questions.

Very truly yours,

BOWERS HARRISON, LLP



Mark E. Miller

MEM/sbf

Enclosures

cc: Mayor Lloyd Winnecke
Civic Center Complex
1 NW Martin Luther King Jr., Blvd.
Room 302
Evansville, IN 47708



Application for Economic Revitalization Area Designation

General Information			
Name of Taxpayer Seeking Phase II	Mead Johnson & Company, LLC		
Street Address of Taxpayer	2400 West Lloyd Expressway		
City, State, Zip	Evansville, IN 47721		
Name of Authorized Representative	Dan Niemeler		
Street Address of Authorized Representative	2400 West Lloyd Expressway		
City, State, Zip	Evansville, IN 47721		
Phone and Fax	Phone: (812) 429-7575, Fax: (812) 647-8368		
Proposed Project Information			
Address of Property	2404 W. Lloyd Expy (Bldgs 24, 31, 33, 33B, & 33C)	Tax Code(s) for Property	82-05-26-032-043.001-029
Size of Property (sf)	62,000	NAICS Code	325410
City, State, Zip	Evansville, IN 47721	Current Zoning	Industrial, M-3
Township	Pigeon	UE District	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Legal Description of Property	PT NE NE Lot 2 14.99 AC 26-6-11 (Buildings 24, 31, 33, 33B, & 33C).		
Provide a brief description of the applicant's business, including company history, products(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification, where applicable. (You may attach it as "Company Profile").			
See Exhibit A.			
Project Overview			
Provide a Detailed Description of the Proposed Project (including how the Subject Property will be used; physical changes made to the property)	Mead Johnson & Company, LLC will invest approximately \$35.0 million dollars into a project involving the replacement and retrofitting of under-utilized manufacturing equipment. The investments will be made over time between 2014 and 2017. This project will incorporate cutting edge technology and diversify existing production. This project will allow Mead Johnson & Company, LLC to more effectively utilize the buildings 24, 31, 33, 33B, & 33C located at its manufacturing facility in Evansville's urban core. During the first phase of the project 30 new full-time positions as well as 24 new contract employee positions will be created by 2015. By completion of phase 2 of the project in 2017, some of the full-time positions will transition to other manufacturing lines within the Evansville facility and the net number of new permanent full-time positions associated with the project at project completion will be 18 with 6 contract employee positions.		
*Will the Project Require Additional Municipal Services or Facilities?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
*If yes please state need			

Employment/Benefit Information

Project Cost Estimate

	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Purchase of real estate and improvements						
Site preparation	\$0.1 million					
Demolition	\$0.2 million	\$0.2 million				
Construction of new structures		\$7.7 million	\$0.6 million			
Rehabilitation of existing structures						
Infrastructure improvements	\$0.6 million	\$2.3 million				
Architecture & engineering fees	\$2.0 million	\$3.5 million	\$0.4 million			
Development fees						
Total cost of manufacturing and research & development equipment - new to Indiana	\$4.6 million	\$13.0 million				
Total project cost for real estate component of project	\$2.8 million	\$13.7 million	\$0.9 million			
Has this new equipment ever been installed and in use elsewhere in the state of Indiana?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Date new manufacturing/research & development equipment is to be installed?			2015, 2016, & 2017

Calendar Year	Number of Current Full-Time Permanent Employees at Project	Hourly/Average Wage W/O Fringe Benefits/Donuses	New Full-Time Permanent Employees at Project	Number of Part-Time Employees	
3 Years Ago	5	\$26			
2 Years Ago	4	\$27			
1 Year Ago	3	\$27			
Now (2014)	2	\$28			
2012-2015	32	\$29	30	24*	
2013-2016	32	\$29	30	24*	
2014-2017	20	\$30	18	6*	
2015-2018	20	\$30	18	6*	
If Tax Phase-In were not granted, how many current jobs would be lost or jeopardized? If any, please attach a supporting explanation (attach as "Potential Job Loss.")		Two (2) jobs will be jeopardized.			
Identify the type(s) of work or position(s) of the new employees.	Packaging, Processing, Maintenance, Supervising, Distribution	Employees' Educational Requirements (Percentage of new hires)			
		High School Diploma	2 yr Degree/Certificate	4 yr Degree	>4 yr Degree
		80%	18%	7%	
Identify the company benefits offered to employees.	Health, Dental and Life Insurance and Prescription Drug Coverage 401K Savings Plan Holiday Pay and Vacation Time Flex Work Options and Tuition Reimbursement				
What is the value of these benefits (as a percentage of base pay)?	36%	Does the taxpayer have an affirmative action plan?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Contribution of Company

In what ways has the company contributed to the improvement of the neighborhood or surrounding area, or participated in community activities or programs?

See Exhibit B.

Is it your intent to use your best efforts to hire local contractors for the building and/or installation of equipment?



Yes



No

*Please attach any additional information that you feel will assist in evaluating this request for property tax phase-in.



Click "Sign" to fill out and sign this form. When you are done, you can save a copy by clicking "Done Signing".

I understand that if tax phase-in is granted for this project, that the Applicant will be required to submit a "Compliance With Statement of Benefits" form annually; and

It is my further understanding that if the Applicant should fail to comply with its commitments in job creation, job retention, project investment and/or any other commitments associated with its tax phase-in application, that the designating body has the right, after conducting a public hearing, to terminate said tax phase-in deductions.

I hereby affirm and certify that the information and representations of fact made in this application are true and complete.

Signature:

Daniel McInnis

Plant Manager

Title: Evansville Supply Center

Date: 06/16/2014 - AMENDED

For this application to be complete, it must be accompanied by a signed "Statement of Benefits" (State Form 27167) and a check for the appropriate application fee. The check should be made payable to the Growth Alliance for Greater Evansville (GAGE).

Application Fees:

Real Estate Improvements

\$500.00

New Manufacturing or Research & Development Equipment

\$250.00

Application Fee Submitted: \$750.00

Growth Alliance for Greater Evansville

812.401.4243

Email: info@EvansvilleGAGE.com

www.EvansvilleGAGE.com

Update: Thursday, April 25, 2013

EXHIBIT A

Company Profile

Mead Johnson & Company, LLC

Mead Johnson & Company, LLC (the "Applicant") is headquartered in Evansville, Indiana and is the entity that owns and operates all manufacturing, sales, marketing and distribution of Mead Johnson Nutrition products in the United States. It is a limited liability company whose sole member (owner) is Mead Johnson Nutrition Company.

Mead Johnson Nutrition Company, together with its subsidiaries in numerous countries around the world (collectively "Mead Johnson Nutrition"), is a global leader in pediatric nutrition and is committed to helping nourish the world's children for the best start in life. It maintains global supply chain and R&D headquarters in Evansville, Indiana. Mead Johnson Nutrition has manufacturing facilities in the United States, Mexico, the Netherlands, China, the Philippines, Thailand, Brazil, and Singapore. The Evansville manufacturing facility of the Applicant produces liquid and powder products for global markets. Mead Johnson Nutrition's leadership in nutrition can be traced back over a century to founder Edward Mead Johnson. In 1915, E. Mead Johnson moved his company from Jersey City, New Jersey, to an old cotton manufacturing plant overlooking the Ohio River. Mead Johnson Nutrition markets its portfolio of more than 70 products to mothers, health care professionals and retailers in more than 50 countries in North America, Europe, Asia and Latin America. Mead Johnson Nutrition employs approximately 7,200 people worldwide.

The Applicant produces a wide range of infant formulas, including, but not limited to, Enfamil Premium milk-based formula, Enfamil Prosobee soy formula, Nutramigen hydrolyzed protein formula, as well as other special needs formulas.

EXHIBIT B

Mead Johnson & Company, LLC Community Organization Support

Mead Johnson & Company, LLC supports the following organizations through direct grants and/or volunteer opportunities for our employees:

- Early Childhood Development Coalition
- Ark Crisis Nursery
- March of Dimes of Southwest Indiana
- Indiana Easter Seals Rehabilitation Children's Center
- Patchwork Central
- Alblon Fellows Bacon Center
- Indiana University- Student Scholarships for Evansville Center for Medical Education
- Evansville Philharmonic
- Deaconess Foundation
- St. Mary's Foundation
- Evansville Zoo & Botanical Gardens
- Leadership Evansville/Diversity Speaker Series
- Ivy Tech Foundation
- Keep Evansville Beautiful (Operation City Beautiful)
- Nature Conservancy – Support for environmental projects in SW Indiana
- Evansville African American Museum Foundation, Inc.
- Wesselman Park Nature Center
- Foundation for Ohio River Education – Annual River sweep
- EVV Better Business Bureau
- WEOA (Support for "Sowing Seeds of Empowerment" program, and Family Day in the Park)
- American Waterworks – Local request for global initiative

Further, Mead Johnson & Company, LLC Internal Employee Resource Groups support other organizations in the community such as the Tri-State Food Bank, Grace House, Evansville Rescue Mission, Girls In Science and Engineering Program at Tekoppel School, Boys and Girls Club, Junior Achievement, Habitat for Humanity and Evansville Christian Life Center.

Lastly, Mead Johnson & Company, LLC matches employee contributions to qualifying non-profit organizations (from \$25 USD up to \$5,000 USD annually).



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE


Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

- This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
- The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
- To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
- A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
- For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

SECTION 1		TAXPAYER INFORMATION			
Name of taxpayer Mead Johnson & Company, LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 2400 West Lloyd Expressway, Evansville, IN 47721					
Name of contact person Dan Niemeier		Telephone number (812-) 429-7575		E-mail address Daniel.Niemeier@mjn.com	
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT			
Name of designating body Evansville Common Council		Resolution number C2014-34			
Location of property 2400 West Lloyd Expressway, Evansville, IN 47721		County Vanderburgh		DLGF taxing district number 82-05-26	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) PT NE NE Lot 2 14.99 AC 26-6-11 (Buildings 24, 31, 33, 33B, & 33C). Parcel Number: 82-05-26-032-043.001-029		Estimated start date (month, day, year) 06/01/2014		Estimated completion date (month, day, year) 12/31/2017	
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT			
Current number 2.00	Salaries \$28.00/hour	Number retained 2.00	Salaries \$29.00/hour	Number additional 18.00	Salaries \$30.00/hour
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT			
		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		11,140,239.00			
Plus estimated values of proposed project		17,400,000.00			
Less values of any property being replaced		0.00			
Net estimated values upon completion of project		28,540,239.00			
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER			
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____			
Other benefits _____					
SECTION 6		TAXPAYER CERTIFICATION			
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 				Date signed (month, day, year) October 21, 2014	
Printed name of authorized representative Richard L. Baumgart				Title Vice President	

FOR USE OF THE DESIGNATING BODY

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

A. The designated area has been limited to a period of time not to exceed _____ calendar years* (*see below*). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
2. Residentially distressed areas ☐ Yes ☐ No

C. The amount of the deduction applicable is limited to \$ _____.

D. Other limitations or conditions (*specify*) _____

E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* *see below*)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10

F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?

☐ Yes ☐ No

If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (<i>signature and title of authorized member of designating body</i>)	Telephone number ()	Date signed (<i>month, day, year</i>)
Printed name of authorized member of designating body	Name of designating body	
Attested by (<i>signature and title of attester</i>)	Printed name of attester	

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4-1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51704 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

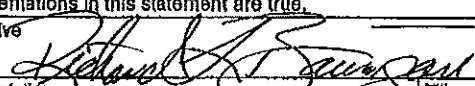
FORM SB-1 / PP

PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

INSTRUCTIONS

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

SECTION 1 TAXPAYER INFORMATION								
Name of taxpayer Mead Johnson & Company, LLC			Name of contact person Dan Niemeler					
Address of taxpayer (number and street, city, state, and ZIP code) 2400 West Lloyd Expressway, Evansville, IN 47721			Telephone number (812) 429-7675					
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT								
Name of designating body Evansville Common Council			Resolution number (s) C2014-34					
Location of property 2400 West Lloyd Expressway, Evansville, IN 47721			County Vanderburgh		DLOF taxing district number 82-05-26			
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (Use additional sheets if necessary.) Sophisticated manufacturing equipment designed to increase efficiency and productivity.			ESTIMATED					
			START DATE			COMPLETION DATE		
			Manufacturing Equipment			08/01/2014	12/31/2017	
			R & D Equipment					
			Logist Dist Equipment					
IT Equipment								
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT								
Current number 2	Salaries \$28/hour	Number retained 2	Salaries \$29/hour	Number additional 18	Salaries \$30/hour			
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT								
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values	3,856,700							
Plus estimated values of proposed project	17,600,000							
Less values of any property being replaced	2,338,700							
Net estimated values upon completion of project	19,118,000							
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER								
Estimated solid waste converted (pounds)			Estimated hazardous waste converted (pounds)					
Other benefits:								
SECTION 6 TAXPAYER CERTIFICATION								
I hereby certify that the representations in this statement are true.								
Signature of authorized representative 				Date signed (month, day, year) October 21, 2014				
Printed name of authorized representative Richard L. Baumgart				Title Vice President				

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

- | | | |
|--|------------------------------|-----------------------------|
| 1. Installation of new manufacturing equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Installation of new information technology equipment; | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

- | | | | | | |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|----------------------------------|---------------|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5 | (see below *) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input type="checkbox"/> Year 10 | |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☐ Yes ☐ No

If yes, attach a copy of the abatement schedule to this form.

If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved by: (signature and title of authorized member of designating body)	Telephone number ()	Date signed (month, day, year)
Printed name of authorized member of designating body	Name of designating body	
Attested by: (signature and title of attester)	Printed name of attester	
<p>* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.</p>		

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

City of Evansville / Vanderburgh County Tax Phase-In Application Scoring

-Real Property-

Company Name:
Mead Johnson & Co.
Application Date:
06/14/2014

Points Granted

Investment- (5 points maximum)

Less than \$1 Million	1 point	
\$1 Million to \$5 Million	2 points	
\$5,000,001 to \$10 Million	3 points	
\$10,000,001 to \$15 Million	4 points	
\$15 Million +	5 points	5

Full-Time employment added or retained (based on project) in 5 years (5 points maximum)

5 to 20 employees	1point	
21 to 40 employees	2 points	
41 to 60 employees	3 points	
61 to 80 employees	4 points	
81 employees +	5 points	2

Wage level (5 points maximum)

Less Than Vanderburgh Co. average wage	1point	
≤ 5% Vanderburgh Co. average wage	2 points	
5%-10% Vanderburgh Co. average wage	3 points	
10% - 20% Vanderburgh Co. average wage	4 points	
≥ 20% Vanderburgh Co. average wage	5 points	5

The average county wage for 2012 is \$18.08/hr (\$36,606/year) for Vanderburgh County, as determined by the Indiana Department Workforce Development.

Benefits Package (Ins./Retirement/paid time off/tuition reimbursement) (5points maximum)

0% - 3%	1 point	
4% - 7%	2 points	
8% - 11%	3 points	
12% - 14%	4 points	
15% +	5 points	5

Value of benefits is equal to or greater than base pay.

Use reuse, rehabilitation and/or expansion of an existing facility. (2 points maximum)

2

Targeted Business (1 point maximum)

1

Percent of employment that requires at least a 2 yr degree or professional certificate (2 points maximum)

50%-75%	1 point	2
75%+	2 points	

Total Points: 22

Scoring

Score

N/A

N/A

2-0

3-4

5-7

8-10

11-13

14-16

17-19

20+

Max. Length of Deduction

1 year

2 years

3 years

4 years

5 years

6 years

7 years

8 years

9 years

10 years

Grand Total of Points: 22

Number of Years: 10

City of Evansville / Vanderburgh County Tax Phase-In Application Scoring

-Personal Property-

Company Name:
Mead Johnson & Company

Application Date:
06/14/2014

		Points Granted
Investment- (5 points maximum)		
< \$1 Million	1 point	
\$1 Million to \$5 Million	2 points	
\$5,000,001 to \$10 Million	3 points	
\$10,000,001 to \$20 Million	4 points	
\$20 Million +	5 points	4
Full-Time employment added or retained (based on project) in 5 years (5 points maximum)		
5 to 20 employees	1 point	
21 to 40 employees	2 points	
41 to 60 employees	3 points	
61 to 80 employees	4 points	
81 employees +	5 points	2
Wage level (5 points maximum)		
Less Than Vanderburgh Co. average wage	1 point	
≤ 5% Vanderburgh Co. average wage	2 points	
5%-10% Vanderburgh Co. average wage	3 points	
10% - 20% Vanderburgh Co. average wage	4 points	
≥ 20% Vanderburgh Co. average wage	5 points	5
<i>The average county wage for 2012 is \$18.08/hr (\$36,606/year) for Vanderburgh County, as determined by the Indiana Department Workforce Development.</i>		
Benefits Package (Ins./Retirement/paid time off/tuition reimbursement) (5 points maximum)		
0% - 3%	1 point	
4% - 7%	2 points	
8% - 11%	3 points	
12% - 14%	4 points	
15% +	5 points	5
Value of benefits is equal to or greater than 15% of base pay.		
Use reuse, rehabilitation and/or expansion of an existing facility. (2 points maximum)		
		2
Targeted Business (1 point maximum)1		
		1
Percent of employment that requires at least a 2 yr degree or professional certificate (2 points maximum)		
50%-75%	1 point	
75%+	2 points	2

Total Points: 21

Scoring

Score

N/A

N/A

2-0

3-4

5-7

8-10

11-13

14-16

17-19

20+

Max. Length of Deduction

1 year

2 years

3 years

4 years

5 years

6 years

7 years

8 years

9 years

10 years

Grand Total of Points: 21

Number of Years: 10